

Exhibit A

Transcript of November 2, 2021 Status Conference

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: :
53 STANHOPE LLC : Case #19-23013-rdd
For Chapter 11 : 300 Quarropas Street
: White Plains, New York
: November 2, 2021
: 10:41:57 a.m.
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TRANSCRIPT OF HEARING ON CASE STATUS CONFERENCE
BEFORE JUDGE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY COURT JUDGE

APPEARANCES:

For Debtors: BACKENROTH FRANKEL & KRINSKY, LLP
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For Brooklyn Lender: KASOWITZ BENSON TORRES LLP
BY: JENNIFER RECINE, ESQ.
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New York, New York 10019

For the U.S. Trustee: OFFICE OF THE UNITED STATES TRUSTEE
BY: BENJAMIN J. HIGGINS, ESQ.
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E X A M I N A T I O N S

<u>Witness</u>	<u>Court</u>	<u>Cross</u>	<u>Re- Direct</u>	<u>Re- Cross</u>
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NONE

E X H I B I T S

<u>Exhibit Number</u>	<u>Description</u>	<u>ID</u>	<u>In</u>	<u>Voir Dire</u>
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NONE

1 (Proceedings commence at 10:41:57 a.m.)

2 THE COURT: Okay, In re 53 Stanhope LLC, et al.

3 MR. MARK FRANKEL: Good morning, Your Honor,
4 Mark Frankel, Backenroth, Frankel and Krinsky,
5 attorneys for the debtor. David Goldwasser is also on
6 the line and I believe Greg Corbin may be on by
7 telephone.

8 THE COURT: Okay, good morning.

9 MS. JENNIFER RECINE: Jennifer Recine on
10 behalf, from Kasowitz Benson Torres on behalf of
11 Brooklyn Lender.

12 THE COURT: Good morning.

13 MS. RECINE: Good morning.

14 MR. BENJAMIN HIGGINS: And good morning again,
15 Your Honor, Ben Higgins for the US Trustee.

16 THE COURT: Good morning. And the debtors,
17 for purposes of this status conference, are the
18 debtors who are the plan proponents for the fourth
19 amended Chapter 11 plan that is dated April 19, 2021,
20 and was confirmed in May, 53 Stanhope, 325 Franklin,
21 62 Lafayette, 92 South Fourth Street, 834 Metropolitan
22 Avenue, 12, I'm sorry, 1125-1133 Green Avenue, APC
23 Holding, One LLC, 18 Holmes LLC, and 1213 Jefferson
24 LLC. I scheduled this conference in light of Ms.
25 Recine's letter from last week in which she noted that

1 there have been no post confirmation reports filed and
2 no outstanding requirement to do so in the
3 confirmation order. And, more importantly, it's
4 unclear whether and how the debtors are pursuing the
5 means to implement the plan which involved a sale
6 process, the timing of which, although preceded by the
7 phrase, "subject to further broker consultation," was
8 laid out in paragraph 73 of the plan and at least as
9 per that paragraph, one could infer would have
10 resulted in an auction by now.

11 So, Mr. Frankel, what is the status of the
12 sale process?

13 MR. FRANKEL: Judge, I got a written report
14 from the broker this morning which I filed and it's
15 very detailed. The sale process has been ongoing,
16 there's been very active marketing. There has been an
17 offer received well above what comparable properties
18 are going for in that area according to the broker's
19 analysis and the broker intends to go forward with a
20 stalking horse contract and have an auction sale the
21 first week of December.

22 We got off to a slow start on the sale
23 process. Brooklyn Lender has appealed the confirmation
24 order which did not make it easy. Then during the
25 summer things were slow and September was a dead month

1 because of Jewish holidays. The broker was projecting
2 best case scenario to have an auction sale in October,
3 the client wanted to insure that we got the full
4 benefit of the whole marketing period and we have, and
5 that is why we are now ready to go forward. Brooklyn
6 Lender, through Jason Leibowitz, has had a number of
7 contacts directly with the broker and has been able to
8 ask what questions he wants. The answer that he was
9 not able to get was when there was going to be an
10 auction because that hadn't been decided yet. It has
11 been.

12 I am sorry that we had to have this hearing
13 today. I first discovered the apparent breakdown in
14 communications on Thursday, and Thursday night before
15 I could get everyone back on track this request for a
16 conference was made. And since then I prevailed upon
17 the broker to file, to prepare a detailed written
18 report, the kind that you usually don't see until you
19 get to the sale application hearing, it's on file and
20 it goes into great detail. This is a typical, very
21 exhaustive Rosewood Realty marketing process with
22 thousands of emails and phone calls, and a lot of, a
23 lot of interest in the property and ultimately a high
24 bid that hopefully will be able to turn into a
25 stalking horse contract.

1 THE COURT: So what is the date for the
2 auction?

3 MR. FRANKEL: The exact date I don't know,
4 it's going to be the first week of December, a day in
5 the first week of December.

6 THE COURT: Okay. All right. Okay, I've not
7 read that report, I preparing for this hearing and
8 hadn't seen it. You do need to file the quarterly
9 progress report, too, as required under the plan and
10 Rule 3022 of the Local Rules.

11 Has, what is the status of determining, if
12 Brooklyn Lender wants to do this, the amount that
13 Brooklyn Lender can bid for its credit bids?

14 MR. FRANKEL: Your Honor, we've been, I'll let
15 Ms. Recine answer that, I believe that there has been
16 a basic agreement between, with my co-counsel on this.

17 THE COURT: Okay.

18 MS. RECINE: Your Honor, that is correct. The
19 credit bid was agreed to with the concept that the
20 sale would be happening in or about this week and so
21 it based the amount of the credit bid on the amount as
22 of 10/31.

23 THE COURT: Right.

24 MS. RECINE: But since we're now moving to
25 December we may need to adjust that and I can

1 certainly go back.

2 THE COURT: I'm sure you will, I mean there
3 will just be an accrual on it.

4 MS. RECINE: Right.

5 THE COURT: Okay.

6 MS. RECINE: So I think we should be fine that
7 way. I haven't had the opportunity either to analyze
8 the report that was filed this morning with my client,
9 I will do so and I will speak with Mr. Frankel about
10 any issues.

11 THE COURT: All right, that's fine. The key
12 thing here is we do now have an outside date for the
13 auction, which is the end of the first week of
14 December. And obviously if the report is as described
15 I think that that should suffice, but I'm glad we had
16 the conference. So unless there's anything more to
17 say on this, it looks like I'll be seeing you all
18 probably mid to late December for a hearing on
19 approval or confirmation of the sale.

20 (Continued on following page to include
21 certification.)

22

1 Okay --

2 MR. FRANKEL: Thank you, Your Honor.

3 MS. RECINE: Thank you, Your Honor.

4 THE COURT: Thank you.

5 (Whereupon the matter is adjourned.)

6 I, Carole Ludwig, court approved transcriber, certify that
7 the foregoing is a correct transcript from the official
8 electronic sound recording of the proceedings in the above-
9 entitled matter.

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13 CAROLE LUDWIG

December 3, 2021

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